

# REPORT

**DATE:** March 3, 2005

**TO:** The Energy and Environment Committee (EEC)

**FROM:** Charlotte Pienkos, Government Affairs Analyst

**SUBJECT:** H.R. 18 (Baca) Southern California Groundwater Remediation Act

**EXECUTIVE DIRECTOR'S APPROVAL** *Kate Jackson for Mark P. Ward*

**RECOMMENDED ACTION:** Support with amendments

## SUMMARY:

At its meeting on February 10<sup>th</sup>, the Water Policy Task Force discussed H.R. 18, introduced by Congressman Joe Baca (D-CA 43<sup>rd</sup>), regarding groundwater remediation. The bill, known as the Southern California Groundwater Remediation Act, appropriates \$50 million in federal funding for remediation activity in the Santa Ana River watershed. After discussion, the Task Force directed staff to bring H.R. 18 to the EEC with a recommendation. Because the proposed program would assist the ongoing clean-up efforts in the Santa Ana basin, a support position is warranted. Amendments, however, could refine the bill and prevent misunderstanding about the scope of the intended program.

## BACKGROUND:

At its meeting on February 10<sup>th</sup>, the Water Policy Task Force discussed H.R. 18, introduced by Congressman Joe Baca (D-CA 43<sup>rd</sup>), regarding groundwater remediation. The bill, known as the Southern California Groundwater Remediation Act, appropriates \$50 million in federal funding for remediation activity in the Santa Ana River watershed. The bill contemplates a 35% local match and counts expenditures made on groundwater projects since January 1, 2000 toward the local match. Broadly written but brief, H.R. 18 appears to promise assistance for a variety of projects and their associated, legally mandated costs. H.R. 18 follows in the tradition of other recently enacted groundwater bills benefiting Southern California, including one introduced by Congressman David Dreier for the San Gabriel River watershed.

In response to concerns expressed by the Task Force, staff was asked to re-confer with the author's staff and clarify certain provisions in the bill, including the meaning intended by its title, "Southern California Groundwater Remediation Act." Although the Santa Ana River basin is approximately 2,000 square miles in size, it does not extend throughout all Southern California counties, and confusion may arise about the scope of the program as a result.

Due to the great need for federal funds for groundwater remediation throughout Southern California, staff recommends a support position for H.R. 18. Clarification is needed, however, about the funding mechanism, scope of the program, and the meaning of the title. Staff

recommends the Committee temper its support with a request for an amendment to address the title to accurately reflect the scope of the remediation program.

**BILL STATUS:** H.R. 18 was referred on January 4<sup>th</sup> to the House Committee on Resources Subcommittee. No hearing has been scheduled.

**FISCAL IMPACT:**

All work related to adopting the recommended staff action is contained within the adopted FY 04/05 budget and adopted 2005 SCAG Legislative Program and does not require the allocation of any additional financial resources.



HR 18 IH

109th CONGRESS

1st Session

H. R. 18

To authorize the Secretary of the Interior, acting through the Bureau of Reclamation and in coordination with other Federal, State, and local government agencies, to participate in the funding and implementation of a balanced, long-term groundwater remediation program in California, and for other purposes.

# IN THE HOUSE OF REPRESENTATIVES

**January 4, 2005**

Mr. BACA (for himself, Mrs. NAPOLITANO, Mr. CALVERT, and Mr. GARY G. MILLER of California) introduced the following bill; which was referred to the Committee on Resources

## A BILL

To authorize the Secretary of the Interior, acting through the Bureau of Reclamation and in coordination with other Federal, State, and local government agencies, to participate in the funding and implementation of a balanced, long-term groundwater remediation program in California, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

## SECTION 1. SHORT TITLE.

This Act may be cited as the `Southern California Groundwater Remediation Act'.

## SEC. 2. DEFINITIONS.

For the purposes of this Act:

- (1) GROUNDWATER REMEDIATION- The term `groundwater remediation' means actions that are necessary to prevent, minimize, clean up, or mitigate damage to groundwater.
- (2) LOCAL WATER AUTHORITY- The term `local water authority' means a currently existing (on the date of the enactment of this Act) public water district, public water utility, public water planning agency, municipality, or Indian Tribe located within the natural watershed of the Santa Ana River in the State of California.
- (3) REMEDIATION FUND- The term `Remediation Fund' means the Southern California Groundwater Remediation Fund established pursuant to section 3(a).
- (4) SECRETARY- The term `Secretary' means the Secretary of the Interior.

## SEC. 3. SOUTHERN CALIFORNIA GROUNDWATER REMEDIATION.

(a) Southern California Groundwater Remediation-

- (1) ESTABLISHMENT OF REMEDIATION FUND- There shall be established within the Treasury of the United States an interest bearing account to be known as the `Southern California Groundwater Remediation Fund'.
- (2) ADMINISTRATION OF REMEDIATION FUND- The Remediation Fund shall be administered by the Secretary,

acting through the Bureau of Reclamation. The Secretary shall administer the Remediation Fund in cooperation with the local water authority.

### (3) PURPOSES OF REMEDIATION FUND-

(A) IN GENERAL- Subject to subparagraph (B), the amounts in the Remediation Fund, including interest accrued, shall be used by the Secretary to provide grants to the local water authority to reimburse the local water authority for the Federal share of the costs associated with designing and constructing groundwater remediation projects to be administered by the local water authority.

#### (B) COST-SHARING LIMITATION-

(i) IN GENERAL- The Secretary may not obligate any funds appropriated to the Remediation Fund in a fiscal year until the Secretary has deposited into the Remediation Fund an amount provided by non-Federal interests sufficient to ensure that at least 35 percent of any funds obligated by the Secretary for a groundwater remediation project are from funds provided to the Secretary for that project by the non-Federal interests.

(ii) NON-FEDERAL RESPONSIBILITY- Each local water authority shall be responsible for providing the non-Federal amount required by clause (i) for projects under that local water authority. The State of California, local government agencies, and private entities may provide all or any portion of the non-Federal amount.

(iii) CREDITS TOWARD NON-FEDERAL SHARE- For purposes of clause (ii), the Secretary shall credit the appropriate local water authority with the value of all prior expenditures by non-Federal interests made after January 1, 2000, that are compatible with the purposes of this section, including--

(I) all expenditures made by non-Federal interests to design and construct groundwater remediation projects, including expenditures associated with environmental analyses, and public involvement activities that were required to implement the groundwater remediation projects in compliance with applicable Federal and State laws; and

(II) all expenditures made by non-Federal interests to acquire lands, easements, rights-of-way, relocations, disposal areas, and water rights that were required to implement a groundwater remediation project.

(b) Compliance With Applicable Law- In carrying out the activities described in this section, the Secretary shall comply with any applicable Federal and State laws.

(c) Relationship to Other Activities- Nothing in this section shall be construed to affect other Federal or State authorities that are being used or may be used to facilitate remediation and protection of the groundwater the natural watershed of the Santa Ana River in the State of California. In carrying out the activities described in this section, the Secretary shall integrate such activities with ongoing Federal and State projects and activities. None of the funds made available for such activities pursuant to this section shall be counted against any Federal authorization ceiling established for any previously authorized Federal projects or activities.

(d) Financial Statements and Audits- The Secretary shall ensure that all funds obligated and disbursed under this Act and expended by a local water authority, are accounted for in accordance with generally accepted accounting principles and are subjected to regular audits in accordance with applicable procedures, manuals, and circulars of the Department of the Interior and the Office of Management and Budget.

(e) Authorization of Appropriations- There is authorized to be appropriated to the Remediation Fund \$50,000,000. Such funds shall remain available until expended.

END